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CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3B2E
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2005

15 July 1963

SUBJECT: Ambassador McGhee's Request for CIA's Current
Evaluation of General Gehlen

1. On 12 July 1963 Ambassador McGhee informed [

] the acting chief of the CIA Base in Bonn, that

(a) the Chancellor told the Ambassador on 11 July that in
the Chancellor's opinion General Gehlen is and always has been stupid;

(b) that it was only because of Mr. Allen W. Dulles' personal
interest in General Gehlen that the Chancellor has put up with General
Gehlen all these years. The Felge case again attests to General Gehlen's
stupidity and incompetence.

(c) The Ambassador expressed as his own opinion that
perhaps the CIA does have a vested historical interest in General Gehlen
and that perhaps General Gehlen has outlived his usefulness. The
Ambassador wanted to know CIA's current evaluation of General Gehlen
and requested this information soonest and general handling of this matter
in a most careful manner.

2. CIA Headquarters replied on 12 July 1963 as follows:

(a) CIA understands Chancellor irritation re Felge case as
result reported widespread press attack on management of BND by General
Gehlen. This is the latest incident in twelve months period of

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increasingly cool relationship between Chancellor and General Gehlen.
This was accelerated by BND involvement in Spiegel Affair.

(b) In our view General Gehlen has compiled good record in many areas in re-establishing German Intelligence Service. Like other elements German government he is faced by very serious security problems which stem primarily from division of Germany and great number Germans who were in Soviet hands for extended period. General Gehlen has until the Felke arrest relied greatly on "words of honor of former associates and sub-ordinates" instead of depending on thorough security background investigations. This has changed since the Felke arrest. It must be noted, however, that other Federal Republic elements have had similarly serious cases of hostile penetration as discussed in NATO Secret Working Paper AC/35 - WP/19 dated 31 July 1961.

(c) From its inception in 1946 until its transfer to Federal Republic control as the official German service, General Gehlen was the man in charge and we do not recall that the Chancellor ever questioned General Gehlen's fitness as head of service. Also, decision by Chancellor that General Gehlen's organization would one day become official service was made by Adenauer before Allen W. Dulles became Chief, CIA.

(d) However, question whether General Gehlen to remain as head of service is one exclusively for Federal Republic decision. No United States official should become involved in this controversy. Any

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intervention on our part would inevitably become known and could prove embarrassing.

(e) We asked [] to determine whether the Ambassador expected to discuss this matter again with the Chancellor and stated that the above comments may be used in such further discussion at the Ambassador's discretion.

3. On 15 July 1963 [] reported that he had passed the CIA Headquarters comments to the Ambassador that morning but expressed his apprehension that the CIA Headquarters comments had not wholly satisfied the Ambassador who pressed hard for direct answers which the Ambassador proposes to use in further discussions of this matter with the Chancellor. The following points were made by the Ambassador:

(a) The Chancellor said that both Mr. Allen W. Dulles and Mr. John McCone had assured him of General Gehlen's professional competence and abilities in clandestine intelligence fields. The Ambassador asked what is CIA's current evaluation of General Gehlen.

(b) Since the BND is CIA's creation CIA cannot escape its responsibility in the BND security failures.

(c) Any investigation of the BND will reveal CIA's past role.

(d) The Ambassador is convinced that the Felfe case will "reveal an Intelligence Disaster" and no amount of "double talk" can

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hide the fact of CIA's responsibility for organizing, supporting and guiding the early activities of the END. The Ambassador feels that this will be eventually most embarrassing to the United States and he is reporting his opinion to the Department.

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